Fact Sheet 01-07

CHAMPVA and the use of Durable Medical Equipment (DME)

What is CHAMPVA?

The Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA) is a health benefits program in which the Department of Veterans Affairs (VA) shares the cost of certain health care services and supplies with eligible beneficiaries (see Fact Sheet 01-02: *CHAMPVA Eligibility* for coverage criteria). CHAMPVA is managed by the Chief Business Office Purchased Care (CBOPC) in Denver, Colorado, which processes CHAMPVA applications and medical claims, verifies eligibility and authorizes benefits.

What is Durable Medical Equipment (DME)?

DME is equipment that is medically necessary and appropriate, ordered by a physician for the specific use of the beneficiary, can withstand repeated use, is primarily and customarily used to serve a medical purpose and, generally, is not useful to an individual in the absence of an illness or injury.

Does CHAMPVA require preauthorization for DME?

Yes. Preauthorization is required on certain items to ensure the item is necessary for a CHAMPVA-covered medical condition and is obtained at a cost savings to both the beneficiary and the government.

What kinds of items have to be preauthorized?

Preauthorization is not required by CHAMPVA, if the beneficiary has other health insurance (OHI) that is primary to CHAMPVA, and the primary insurance has authorized and paid for the DME. Otherwise, preauthorization is required for any item that costs more than \$2000 to buy, or when the total rental price is \$2000 or more. Typically, this includes wheelchairs, hospital beds and specialized lifts.

What documents are required for preauthorization?

Requests for preauthorization must include the doctor's DME order or certificate of medical necessity. This information can be submitted in the form of a letter or by using a Medicare Certificate of Medical Necessity form. In either case, the following information must be included:

- name, address and tax identification number of the provider,
- · diagnosis,
- · medical necessity,

 required equipment (the make and model number, cost and specifications for any customization), and

• anticipated duration that the item is needed.

Where do we send the documents?

VA Chief Business Office Purchased Care ATTN: CHAMPVA Preauthorization PO Box 469063, Denver, CO 80246-9063

FAX: 303-331-7807

What types of equipment are NOT covered by the CHAMPVA program?

- · Exercise equipment
- · Hearing aids
- · Hot tubs, spas or whirlpools
- · Household and recliner chairs
- Luxury or deluxe equipment (CHAMPVA covers only the cost of basic equipment that meets your medical needs)
- Maintenance agreements/contracts
- Repair and adjustment costs on rented/leased equipment (those costs should be included in the rental/lease agreement)
- Swimming pools
- Vehicle lifts that are non-detachable and/or manufactured for a specific vehicle that cannot be removed from one vehicle and used on another

Are DME repair costs covered?

When it is most economical to repair the DME and the damage is not a result of neglect or abuse of the equipment, repairs are covered. If the repairs are extensive and costly, it may be more economical for the government to replace the DME rather than repair it.

Are cost maintenance agreements covered?

No; however, routine and periodic servicing (such as testing, cleaning, regulating and checking), which is required by the manufacturer to be performed by an authorized technician is covered.

Will CHAMPVA purchase or lease the item?

This depends on what the doctor has indicated in the







DME order regarding the expected period of need. It also depends on what is most cost effective for the government and the beneficiary.

Does CHAMPVA have an allowable amount for DME?

Yes, please contact CHAMPVA is you have questions about allowable amounts.

What is the patient's cost share?

Assuming the patient has met their annual deductible, they pay 25% of the allowable amount, unless the \$3000 family catastrophic cap has been met.

Does the DME supplier have to accept the allowable amount?

Yes, under 38 CFR section 17.272(b) (3) and (4), providers must accept the CHAMPVA allowable rate and cannot balance bill the beneficiary.

How do I get more information?

• Mail: Chief Business Office Purchased Care

CHAMPVA PO Box 469063

Denver, CO 80246-9063

• Phone: 1-800-733-8387, Monday-Friday

8:05 a.m. to 7:30 p.m., Eastern Standard Time

• Email: Follow the directions for submitting email via

IRIS at https://iris.custhelp.com/app/ask

• Website: http://www.va.gov/purchasedcare/